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Adams-Millis Announces Increases In Medical Benefits

Effective January 1, 1979, medical care and major medical expense benefits were increased for Adams-Millis employees, at no additional cost to employees.

In his announcement letter, J.H. Millis, Chairman of the Board and Chief Executive Officer of the Corporation, outlined the increased benefits. The letter stated that, "In keeping with our desire to provide you and your family with benefits that will more adequately meet ever-rising medical costs, we are happy to announce that, at no additional cost to you, we are increasing your medical care and major medical expense benefits under our Employee Welfare Benefit Plan."

The changes are as follows:

1. The Hospital Daily Room and Board Benefit Maximum increased from \$40 per day to \$55 per day.
2. The Surgical Benefit Maximum increased from \$360 to \$400.
3. The Outpatient X-Ray and Lab Benefit Maximum increased from \$50 to \$75 per calendar year, with the diagnostic restriction being lifted.
4. The Outpatient Psychiatric Benefit Maximum increased from \$10 per visit to \$20 per visit.
5. The Major Medical Expense Benefit Maximum increased from a \$50,000 per-cause benefit to a \$75,000 lifetime benefit, with a calendar year deductible of \$100 per person for all causes.
6. A Stop-Loss Provision has been added so that if covered charges exceed \$20,000 during any calendar year, benefits for covered charges in excess of the \$20,000 will be paid at 100% for the remainder of that calendar year and during the following calendar year, with no additional deductible being satisfied.

Mr. Millis also announced the adoption of a new retired life insurance schedule, as follows:

1. Employees age 50 and over on January 1, 1979 will continue to be covered under the old schedule which provides that upon attainment of age 60 (or any age if totally and permanently disabled), a retiring Group Insurance Plan participant who has been continuously insured under the Plan for the ten years immediately preceding his retirement will be eligible to continue one-half of the amount (up to a maximum of \$10,000) of his basic life insurance in force on January 1, 1979.
2. Employees under age 50 on January 1, 1979 will be covered under a new schedule which provides that upon attainment of age 60 (or any age if totally and permanently disabled), a retiring Group Insurance Plan participant who has been continuously insured under the Plan for the ten years immediately preceding his retirement will be eligible to continue \$2,000 life insurance in force.

Employees hired January 1, 1979 and thereafter will be covered by the new schedule.

The other provisions of the Group Insurance and Employee Welfare Benefit Plans remain unchanged. A Summary Plan Description Booklet amendment, which outlines the new coverage in detail, is being prepared and will be delivered later this year.

In his letter, Mr. Millis also stated, "Adams-Millis Corporation pays a significant portion of the cost of your group insurance and medical care benefits, and we are happy to advise you that we are assuming the total cost of these increased benefits. It is a matter of great satisfaction to us to be able to provide for you and your family a comprehensive medical care and life insurance program at a minimum cost to you."



AT SEMINAR -- Shown at left discussing increased benefits for Adams-Millis employees are, left to right: Mike Ryan, Mrs. Adeline G. Dupriez, Jean Harrison and H. Ed Caldwell. Insurance Managers and Employee Benefits Office personnel are pictured below.



MASON



ROBBINS



TURNER



BLAYLOCK



EARNHARDT



WILLARD



YOUNT



KIRBY



COX



GILLESPIE



TEAGUE



OWEN



SECKLER

LIFE AND HEALTH BENEFIT PAYMENTS EXCEED ONE MILLION DOLLARS IN 1978

Year-end figures [unaudited] for the Employee Welfare Benefit and Group Insurance Plans revealed a total of \$1,172,937 in benefits paid for Plan participants and their dependents during the year 1978. This was an increase of 34% over benefits paid in 1977.

A total of \$845,937 was paid in medical and health benefits in 1978; this represents an average of \$357 paid for each of the 2,367 participants in the Plan. The 1977 total for medical and health benefits paid was \$715,914, an average of \$305 per participant.

Death benefits paid to 40 beneficiaries under the Group Insurance Plan amounted to \$327,000 in 1978, as compared to a total of \$170,395 paid to 35 beneficiaries in 1977.

Annual Seminar Held

The Employee Benefits Department's annual Group Insurance Seminar held in High Point last fall focused on the increased medical and health benefits which became effective under the Adams-Millis Corporation Employee Welfare Benefit Plan on January 1, 1979.

Attending the day-long meeting at Holiday Inn, West were Personnel and Insurance Managers from throughout the Corporation. Also, H. Ed Caldwell and Mrs. Adeline G. Dupriez, representatives of The Equitable Life Assurance Soci-

ty's Richmond claims office which administers the Employee Welfare Benefit Plan, attended the meeting and discussed administrative procedures for implementing the increased benefits.

The meeting, conducted by Jean D. Harrison, Employee Benefits Manager, was opened by Michael L. Ryan, Vice President of Industrial Relations, who announced the new benefits. In his opening remarks, he said that "fringe" is no longer an adequate term for the benefits employees take advantage of.

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